

**JIM. GIBBONS**  
Governor



STATE OF NEVADA  
**STATE ENVIRONMENTAL COMMISSION**

901 South Stewart Street, Suite 4001  
Carson City, Nevada 89701-5249  
Telephone (775) 687-9308  
Fax (775) 687-5856  
[www.sec.nv.gov](http://www.sec.nv.gov)

**Leo Drozdoff, P.E.**  
Acting Director



CHAIRMAN:  
Eugene Gans  
Las Vegas, NV

September 01, 2011

VICE CHAIRMAN:  
Alan Coyner  
Administrator  
Division of Minerals  
Commission on Mineral  
Resources

Randy Thomas  
VP of Operations  
EP Minerals, LLC  
P.O. Box 12130  
Reno, NV 89510

MEMBERS

**RE: Penalty Assessments for Air Quality Violation No. 2356**

Pete Anderson  
State Forester  
Division of Forestry

Dear Mr. Mr. Thomas:

Frances Barron  
State Board of Health  
Las Vegas, NV

On May 31, 2011 officials from the Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP-BAPC) observed dense clouds of dust emanating from several points at the EP Minerals plant. The inspector observed that fugitive dust was emanating from ground operations as well as one stack. Subsequently, and on August 31, 2011 NDEP held an enforcement conference with EP officials to discuss alleged failure to comply with permitted emission limits set forth in Class II Air Quality Operating Permit AP1499-0281.02. Based on the information presented during the conference, NDEP determined that issuance of the attached Notice of Alleged Air Quality Violation and Order (NOAV) No. 2356 was warranted.

Jason King  
State Engineer  
Division of Water Resources

When NDEP sent the NOAV by certified mail on August 31, 2011, it notified EP Minerals of its appeal rights pursuant to NRS 445B.340 and NRS 445B.360. Since EP Minerals did not appeal the NOAV, the State Environmental Commission (SEC) will determine the appropriate penalty for the violations contained in NOAV No. 2356 at its meeting on October 05, 2011. This meeting will be held on Wednesday, October 5, 2011 at 9:30 a.m. at the Nevada Department of Wildlife's Conference Room A, 1100 Valley Road, Reno, Nevada.

Kathryn Landreth  
Reno, NV

Pursuant to NRS 445B.640(1), the SEC may levy an administrative fine of not more than \$10,000 per day per violation. Staff from NDEP will provide the SEC with a brief overview of the NOAV and its recommendation for an administrative fine of **\$1,500.00**, which has been calculated from a penalty matrix previously approved by the Commission.

Jim Barbee  
Director, Department of  
Agriculture

Ken Mayer, Director  
Department of Wildlife

Tom Porta  
Reno, NV

Mark Turner  
Carson City, NV

Cary Richardson  
Carson City, NV

COUNSEL  
Rose Marie Reynolds

STAFF  
[John B. Walker](#)  
Executive Secretary

The Commission will formally levy a fine by accepting NDEP's recommendation or increasing or decreasing the fine amount based on the information presented at the meeting.

Your presence is not required at the October 5<sup>th</sup> 2011 meeting, although you or a company representative may wish to attend and speak on behalf of EP Minerals. The SEC may, without further notice, take administrative action against EP Minerals, if the SEC determines that such administrative action is warranted after it considers NOAV No. 2356.

If you have any questions regarding this notice, please contact me at (775) 687-9308.

Sincerely,

John B. Walker  
Executive Secretary

Enclosed  
jbw

Certified Mail # 7008 1140 0004 4030 1150

cc: Colleen Cripps, NDEP  
Michael Elges, NDEP  
Francisco Vega, NDEP  
Rose Marie Reynolds, SEC/DAG